

**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
FISCAL YEAR ENDED SEPTEMBER 30, 2002  
(In Thousands)

	CORRECTIONAL INDUSTRIES REVOLVING FUND	MOTOR TRANSPORT FUND	OFFICE SERVICES REVOLVING FUND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 42,319	\$ 66,610	\$ 71,150
Payments to employees	(14,179)	(2,992)	(12,929)
Payments to suppliers	(17,184)	(64,794)	(53,037)
Claims paid	-	-	-
Other receipts	-	489	-
Other payments	(8,506)	-	-
Net cash provided (used) by operating activities	<u>\$ 2,450</u>	<u>\$ (687)</u>	<u>\$ 5,185</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Loans or loan repayments from other funds	\$ -	\$ 522	\$ -
Loans or loan repayments to other funds	(1,000)	-	(2,230)
Transfers to other funds	(204)	(75)	(157)
Net cash provided (used) by noncapital financing activities	<u>\$ (1,204)</u>	<u>\$ 447</u>	<u>\$ (2,387)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	\$ (2,476)	\$ -	\$ (530)
Interest paid	(299)	-	-
Capital lease payments (including imputed interest expense)	-	-	(1,691)
Proceeds from sale of capital assets	-	308	196
Net cash provided (used) by capital and related financing activities	<u>\$ (2,775)</u>	<u>\$ 308</u>	<u>\$ (2,025)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends on investments	\$ -	\$ -	\$ -
Net cash provided (used) by investing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net cash provided (used) - all activities	\$ (1,529)	\$ 69	\$ 773
Cash and cash equivalents at beginning of year	<u>4,107</u>	<u>(40)</u>	<u>(885)</u>
<b>Cash and cash equivalents at end of year</b>	<u><u>\$ 2,578</u></u>	<u><u>\$ 29</u></u>	<u><u>\$ (113)</u></u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>			
Per Balance Sheet Classifications:			
Cash	\$ -	\$ 49	\$ 75
Equity in common cash	2,979	-	-
Warrants outstanding	(401)	(20)	(188)
Cash and cash equivalents at end of year	<u><u>\$ 2,578</u></u>	<u><u>\$ 29</u></u>	<u><u>\$ (113)</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 1,349	\$ (5,702)	\$ (877)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation expense	1,601	642	2,673
Other reconciling items	-	-	-
Net Changes in Assets and Liabilities:			
Inventories	1,023	59	(115)
Other assets (net)	12	4,031	156
Accounts payable and other liabilities	(1,534)	283	3,348
Net cash provided (used) by operating activities	<u><u>\$ 2,450</u></u>	<u><u>\$ (687)</u></u>	<u><u>\$ 5,185</u></u>
<b>SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>			
Cost of capital assets acquisitions financed by capital leases	\$ -	\$ -	\$ 2,612
Capital lease liabilities entered into during the year	-	-	(2,612)
Gain (loss) on disposal of capital assets	(299)	-	(109)
Total noncash investing, capital, and financing activities	<u><u>\$ (299)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (109)</u></u>

**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2002**  
(In Thousands)

	INFORMATION TECHNOLOGY FUND	RISK MANAGEMENT FUND	STATE SPONSORED GROUP INSURANCE FUND	TOTALS  SEPTEMBER 30, 2002
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 104,573	\$ 3,241	\$ 821,205	\$ 1,109,099
Payments to employees	(20,408)	(599)	-	(51,106)
Payments to suppliers	(65,444)	(786)	(243,784)	(445,028)
Claims paid	-	(1,780)	(567,080)	(568,860)
Other receipts	-	-	-	489
Other payments	(1,975)	-	(6,149)	(16,631)
Net cash provided (used) by operating activities	\$ 16,746	\$ 77	\$ 4,192	\$ 27,963
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Loans or loan repayments from other funds	\$ 23,561	\$ -	\$ -	\$ 24,084
Loans or loan repayments to other funds	-	-	(21,775)	(25,005)
Transfers to other funds	(194)	(17)	(23)	(670)
Net cash provided (used) by noncapital financing activities	\$ 23,367	\$ (17)	\$ (21,798)	\$ (1,592)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition and construction of capital assets	(23,047)	\$ -	\$ (2,650)	\$ (28,702)
Interest paid	-	-	-	(299)
Capital lease payments (including imputed interest expense)	(14,165)	-	-	(15,857)
Proceeds from sale of capital assets	-	-	7,958	8,462
Net cash provided (used) by capital and related financing activities	\$ (37,212)	\$ -	\$ 5,308	\$ (36,396)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and dividends on investments	\$ -	\$ -	\$ 9,224	\$ 9,224
Net cash provided (used) by investing activities	\$ -	\$ -	\$ 9,224	\$ 9,224
Net cash provided (used) - all activities	\$ 2,901	\$ 60	\$ (3,074)	\$ (801)
Cash and cash equivalents at beginning of year	(4,171)	10,055	121,808	130,873
<b>Cash and cash equivalents at end of year</b>	<b>\$ (1,271)</b>	<b>\$ 10,115</b>	<b>\$ 118,733</b>	<b>\$ 130,072</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>				
Per Balance Sheet Classifications:				
Cash	\$ -	\$ -	\$ 41	\$ 165
Equity in common cash	-	10,124	120,434	133,537
Warrants outstanding	(1,271)	(9)	(1,741)	(3,630)
Cash and cash equivalents at end of year	\$ (1,271)	\$ 10,115	\$ 118,733	\$ 130,072
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (14,847)	\$ 286	\$ 8,315	\$ (11,477)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation expense	37,114	-	2,653	44,682
Other reconciling items	(9,272)	-	-	(9,272)
Net Changes in Assets and Liabilities:				
Inventories	796	(73)	-	1,690
Other assets (net)	120	-	6,987	11,305
Accounts payable and other liabilities	2,835	(136)	(13,762)	(8,966)
Net cash provided (used) by operating activities	\$ 16,746	\$ 77	\$ 4,192	\$ 27,963
<b>SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>				
Cost of capital assets acquisitions financed by capital leases	\$ 16,376	\$ -	\$ -	\$ 18,989
Capital lease liabilities entered into during the year	(16,376)	-	-	(18,989)
Gain (loss) on disposal of capital assets	42	-	-	(365)
Total noncash investing, capital, and financing activities	\$ 42	\$ -	\$ -	\$ (365)